Opinion: BIT assessment

Origin: Domestic

RPC reference number: RPC17-3679(1)-DECC-ONR

Date of implementation: January 2016



Revised guidance – Regulation of GB's Defence Nuclear Programme

Office for Nuclear Regulation

RPC rating: fit for purpose

Description of proposal

The measure merged two existing guidance documents, relating to the regulation of GB's Defence Nuclear Programme, into an updated single document. The guidance has been revised following the formation of the Office for Nuclear Regulation (ONR) as a separate body, and the ONR's 'Letter of Understanding with the Ministry of Defence's Defence Nuclear Safety Regulator'. The letter established a framework for coordinated and effective regulation of defence-related nuclear sites. The ONR states that the guidance has been updated to clarify exactly how the ONR regulates the defence nuclear programme, and to include sections on regulating non-licensed naval sites.

The assessment notes that the guidance is directly relevant for ONR inspectors who are engaged in 'the regulation of nuclear, radiological and conventional safety on the Ministry of Defence's defence related nuclear sites.' Although licensees are not mandated to read the guidance, the ONR expects that a small number of licensees will read the document to familiarise themselves with the changes. The assessment states that the total length of the guidance has been shortened from thirty pages to twenty-one pages.

Impacts of proposal

The assessment states that the updated guidance will be directly applicable to 7 licensed nuclear sites, including Aldermaston Weapons Manufacturing Site and Burghfield Weapons Assembly Site. The ONR also anticipates that 5 additional non-licensed sites will read the updated document. These additional sites are not subject to the UK licensing regime, but are expected to have an interest in the guidance.

The direct cost to business relates to familiarisation with the guidance. For licensed sites, the ONR expects both a senior and middle manager of each site to read the new document. For non-licensed sites, the ONR expects a single senior manager of each site to read the guidance. The ONR estimates that the relevant individuals will read the twenty-one page long guidance three times to gain full understanding of the document, and that this will take 2.77 hours, based on Regulator Appraisal Subgroup

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group guidance reading times. Using an hourly wage rate of £47.86 for both individuals, based on ASHE 2015 data, the total one-off familiarisation cost is estimated to be £2,519 in total. Therefore the EANDCB and BIT score round to zero.

The RPC verifies the estimated equivalent annual net direct cost to business (EANDCB) of £0.0 million. This will be a qualifying regulatory provision that will score under the business impact target.

Quality of submission

The submission is clear and concise, and provides sufficient evidence to support its estimate of the cost to business of the measure. The ONR also provides assurance that the change will not lead to an increase in the number of regulatory inspections, addressing a potential area for concern.

The RPC notes that the shortening of the guidance could result in small savings to business over time. The assessment would have been improved by considering these potential savings, and the RPC recommends that the ONR considers similar savings in future assessments

The assessment would benefit from further explanation as to why only the middle and senior managers would read the guidance. It would also have helped to include some very brief background on the measure and what specifically the regulation of GB's Defence Nuclear Programme covers, such that the reader would be able to gain a fuller understanding of the change.

Departmental assessment

Classification	Qualifying regulatory provision
Equivalent annual net cost to business (EANCB)	£0.0 million
Business net present value	£0.0 million
Societal net present value	£0.0 million

RPC assessment

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EANCB – RPC validated ¹	£0.0 million
Business Impact Target (BIT) Score ¹	£0.0 million
Small and micro business assessment	Not required

Michael Gibbons CBE, Chairman

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¹ For reporting purposes, the RPC validates EANDCB and BIT score figures to the nearest £100,000.